WILLOW SPRINGS LEASE AGREEMENT

This Agreement of Lease made and entered into by and between	at WILLOW SPRINGS,
hereinafter referred to as Landlord, and	hereinafter referred to as Tenant , WITNESSETH:

LEASED PREMISES, in consideration of the covenants, conditions and agreements hereinafter contained to be kept and performed by Tenant, Landlord does hereby lease and let unto Tenant, and Tenant does hereby lease from Landlord, the following described property located in the County of Dallas and State of Texas, being **unit No**.______, a part of a condominium project known as WILLOW SPRINGS, situated in Richardson, Dallas County, Texas on a tract of land situated in the Mary Hargroeder survey, abstract #574, being a part of a 143.183 acre tract conveyed to George Young, trustee as filed, in volume 5512, page 180 and containing a total of 10.198 acres, together with the fixtures, carpeting, draperies and appliances, located therein.

TERM OF LEASE. This lease shall commence on the _____day of ______, 20____, and shall terminate on the _____day of ______, 20____, 20___, 20____, 20____, 20____, 20____, 20____, 20____, 20____, 20___, 20____, 20___, 20___, 20____, 20__

RENTAL. The consideration for this lease shall be the agreement of Tenant to pay a monthly rent to Landlord, payable in advance on or before the first day of each calendar month during the term of this lease as follows:

 a) Rent for unfurnished unit.....

 b) Rent for furniture.....

 c) Other......

 d) Total monthly rent.....

All rental payments shall be made at the following addressor at such other address as Owner shall designate from time to time in writing:

Number, Street Name, (Apt. #)

City, State, Zip

All rental payments shall be made monthly in advance, as same shall become due.

A charge in the amount of 5% of the monthly rent will be made for late payment of rent and for any returned checks.

OCCUPANCY. The premises here demised shall be used only as a private residence and as a single family dwelling unit, and for no other purpose with the number of persons residing therein not to exceed what is deemed safe per city code. No portion of the premises herein demised shall be assigned or sublet by Tenant to any other person, firm, or corporation without the prior written consent of Landlord. No animals or pets of any kind will be permitted on the premises herein demised without a prior written agreement signed by Landlord, and then only on such terms and under such conditions as Landlord may prescribe.

UTILITIES AND SERVICES. Resident shall pay for electricity, water and gas to the Homeowner's Association office 233 Trellis Place within ten days of receipt of statement for charges prepared by the Association. Resident shall not allow electricity to be disconnected by any means (excluding non-payment of utility bills) until then end of the lease term or renewal or extension period, unless there is prior written arrangement between Landlord and Tenant. Changes or installation of utility lines, meters, submetering or load management systems, and similar electrical equipment serving the townhome shall be the exclusive right of the Owner. Utilities shall be used only for normal household purposes and not wasted.

SURRENDER OF PREMISES. On the termination of this lease, Resident covenants and agrees that he will promptly and peacefully surrender possession of the demised premises, and will voluntarily surrender and deliver to Owner all of the personal property belonging to Owner. In the event Resident fails to promptly vacate the premises on termination of this lease, Owner shall have the immediate right of reentry onto said premises and shall have the right to remove all of Resident's property therefrom, to place same in storage at Resident's expense, and to make such other arrangements for sale or disposition thereof as may be authorized to Owner pursuant to contract or by the laws of the state of Texas. All expenses incurred by Owner in connection with the removal and storing of such personal property of Resident shall be a liability of Resident which Owner may recover by legal action. In the event that legal action becomes necessary on the part of the Owner to assert his rights in connection with possession of the demised premises, or to enforce any other covenant or legal right which Owner has under the terms of the agreement. Resident covenants and agrees to pay to Owner all obligations under the terms of this lease agreement together with any and all damages suffered by Owner as a result of the necessity for legal action, including reasonable attorneys' fees and court costs incurred in connection therewith.

HOLDING OVER. Unless thirty (30) days prior to the end of the initial term hereof, either of the parties gives the other party notice of his intention to terminate this lease at the end of the term provided on Page One (1) hereof, this lease shall be construed as a month-to-month tenancy at the rental herein specified or at such other rental as the Landlord shall designate in writing to Tenant at least thirty (30) days before the effective date thereof, and shall otherwise be on the same terms and conditions herein specified so far as applicable. Tenant agrees that in consideration of Landlord not terminating this lease upon the end of the original term, the Tenant will give thirty (30) days written notice prior to subsequent move out and agrees that

failure to give such notice will subject Tenant to forfeiture of the deposit under provisions of Section 4 in the amount of the deposit to be construed as the amount of the liquidated damages.

REMEDIES IN CASE OF DEFAULT. In the event Resident fails to make the rental payments herein provided within the time required, or in the event Resident fails to comply with any other term, covenant, condition or agreement therein contained, then and in such event, at his option, Owner may enforce the performance of this lease agreement in any mode provided by law, or may give notice to Resident of his election to terminate such lease agreement if such default continues for a period of five (5) days from and after the date of notification by Owner to Resident of such default. In the event Owner elects to give such five (5) days notice and Resident fails to comply with all of his obligations under the terms of this lease agreement within such five (5) day period, then and in such event, Owner may terminate this lease and thereupon shall have the right, in person or by his agent or attorney, without further notice or demand, to re-enter said premises and to remove all persons and all property therefrom, without prejudice to any other legal rights which Owner may assert under the terms and provisions hereof. At the option of Owner, Owner may re-enter and take possession, and may re-let same for the remainder of the term of the best rental which Owner may be able to obtain, without otherwise terminating the liability of Resident hereunder, and in such event, Resident shall remain liable to Owner for any deficiency in the rental payments for the balance of the term of his lease agreement. In the event Owner terminates this lease and re-enters and takes possession of said premises, and removes their personal property of Resident therefrom, Owner shall have the right place said property of Resident in storage at Resident's expense and may pursue any other legal remedies which Owner may have with respect to his lien on any such property of Resident. In addition to all other remedies provided herein, Resident agrees to compensate Owner for all reasonable expenses necessary to enforce this lease agreement and to collect the rental or damages for breach of this lease, including, but not limited to all court costs and reasonable attorneys' fees incurred in connection therewith, as well as all reasonable expenses necessary to the removal personal property therefrom and to the re-letting or attempted re-letting of the premises which shall include, but not be limited to, the costs of minor repairs and replacements, advertisements, brokerage fees and other expenses caused by Resident's breach of any of the terms and provisions of the lease agreement.

In the event that the Resident is in default of any rental payments at the end of the first day after any rental payment is due, during the term of this lease, then the Owner shall have the right to declare this lease terminated forthwith.

PERSON OBLIGATED. Each and all Residents, as herein defined, joining in the execution of this lease agreement shall be jointly and separately liable for the performance of all terms, provisions, conditions, and agreements herein contained. This lease agreement shall be binding upon all of the parties hereto, their heirs, successors and personal representatives.

SECURITY DEPOSIT. To insure that Tenant will comply with all of the terms, covenants, conditions and provisions of this lease, Tenant has deposited with Landlord on the execution of this lease the sum of \$_______, as a security deposit, receipt of which is hereby acknowledged by Landlord, to be retained by Landlord during the term of this lease in accordance with the provisions of this lease, and refunded to Tenant on the termination of this lease provided Tenant has complied with all of his obligations hereunder, subject to such deductions as are herein authorized.

DEDUCTIONS FROM TOTAL SECURITY DEPOSIT.

CLEANING. The unit, including furniture, bathrooms and kitchen appliances, must be cleaned thoroughly; MOVE OUT CLEANING INSTRUCTIONS (if provided) shall be followed. If Resident fails to clean in accordance with the above, reasonable charges to complete such cleaning shall be deducted, this included charges for cleaning carpets, draperies, furniture, walls, etc., which are soiled beyond reasonable wear, plus any utility expenses incurred because of such cleaning.

FIXED CLEANING CHARGE. The following charge will be deducted in any event for cleaning which owner requires to be done commercially or by owner's employees: \$______. This is applicable only if owner has a fixed cleaning charge. This charge does not relieve resident from the cleaning provisions of the above paragraph entitled CLEANING.

OTHER INSTRUCTIONS. Resident shall be liable for and appropriate charges will be deducted for any unpaid sums due under the lease: unpaid rent; unpaid utilities; un-reimbursed service charges; damages or repairs to the unit or its contents (beyond reasonable wear); utilities for repairs; trips to let in company representatives to remove resident's telephone or TV cable services or rental items (if resident requests same or has moved out); trips to open unit when resident has lost or forgotten key; key duplicates; unreturned keys; insufficient light bulbs; stickers; scratches; burns, stains, or unapproved holes; removing or re-keying unauthorized locks or latches; agreed cost-of-reletting; painting; removing or storing property removed or stored pursuant to paragraph 17; removing illegally parked vehicles; late payment and returned check charges; attorney's fees, court costs, and owner's or owner representative's time and inconvenience in any valid eviction processing against resident; and owner representative's time and inconvenience in any valid eductions. If keys are not returned or if rent has been accelerated under paragraph 16 or if resident is evicted, charges may be made for change of door locks and new keys. Security deposits will be first applied to non-rent items, then to unpaid rent.

CARE OF PREMISES. Tenant agrees to take good care of the demised premises and its fixtures, furniture and furnishings, and to suffer no waste and to make no alterations, additions, repairs, or improvements without the prior written consent of Landlord. Tenant agrees to report promptly in writing to Landlord when any equipment, fixture, or portion of the demised premises is out of repair, and to permit Landlord or its agents to enter the demised premises at any reasonable time for the purpose of making such repairs. Tenant agrees promptly to reimburse Landlord for any damages to the demised premises, fixtures, furniture, furniture or furnishings caused by the negligence, misuse, or any other occurrence attributable to Tenant, his agents, family or guests. Tenant agrees that he has examined the premises, finds them in good condition. At their termination hereof, Tenant agrees to deliver the demised premises, fixtures, furniture and furnishings in good condition, natural depreciation from reasonable use thereof only excepted. All alterations, additions and improvements made to the premises at the expense of Tenant, with the consent of Landlord, shall become the property of Landlord and shall remain thereon and be surrendered with the premises as a part thereof at the termination of this lease. In the event furniture is also

leased under the terms hereof, Tenant agrees to keep such furniture in the unit and covenants not to remove same therefrom at any time or for any purpose except on written consent of Landlord.

BANKRUPTCY AND OTHER LEGAL ACTIONS. In the event that Resident files a voluntary petition in bankruptcy, or suffers a petition in involuntary bankruptcy to be filed against him, or makes an assignment for the benefit of creditors, or is placed in receivership, or is the subject of any other type of legal action wherein the right to use and occupancy of the demised premises is an issue, then at the option of Owner, the lease shall terminate, and Resident shall thereafter have no right, title or interest in or to any of the demised premises or any part of the complex of which the premises are a part.

LANDLORD'S LIEN. TENANT DOES BY THE EXECUTION OF THIS INSTRUMENT GRANT TO LANDLORD AN EXPRESSED CONTRACT LIEN AND SECURITY INTEREST UPON ALL FIXTURES GOODS AND PROPERTY OF TENANT NOW OR HEREAFTER PLACED IN OR UPON SAID LEASED PREMISES IN ORDER TO SECURE THE PROMPT PAYMENT OF THE RENT HEREIN PROVIDED, AND THE FULL COMPLIANCE BY TENANT OF ALL AGREEMENTS AND COVENANTS HEREIN CONTAINED. THIS CONTRACT LIEN SHALL BE IN ADDITION TO SUCH STATUTORY LIENS AS LANDLORD MAY HAVE UNDER AND BY VIRTUE OF THE LAWS OF THE STATE OF TEXAS, AS PRESENTLY BINDING OR AS MAY BE AMENDED TO THE EXTENT THAT HE IS LEGALLY ABLE TO DO SO UNDER THE PROVISIONS OF ARTICLE 5236d, VERNON'S ANNOTATED TEXAS STATUES, TENANT DOES HEREBY WAIVE ANY AND ALL LEGAL EXEMPTIONS WHICH HE MIGHT HAVE UNDER THE LAWS OF THE STATE OF TEXAS FOR THE PURPOSE OF SECURING THE LANDLORD UNDER THIS AGREEMENT.

COMMON FACILITIES. Landlord has provided certain facilities for the use of all of the Tenants of said apartment project, such as parking areas, swimming pool, patios, and other facilities. It is understood and agreed that Resident does not acquire any leasehold in any of these facilities, but is only permitted normal use thereof subject to Owner's discretion. Owner shall not be liable to Resident or to Resident's invitees, family, employees, agents or servants for injury or death to any person arising out of use of or in connection with any facility provided by Owner. Owner shall not be liable for damage to or loss of property incurred by any of said parties. Resident further agrees to indemnify and hold harmless Owner from any claims in this regard whether made by Tenant any of the parties above mentioned, or by any third party.

LIABILITY OF OWNER. (a) Owner shall not be liable to Resident or Resident's invitees, family, employees, agents or servants for any personal injuries or damage to personal property caused by an act of negligence or any other Resident or any other person on said premises other than the Owner and the agents, servants and employees of Owner. Resident hereby agrees to indemnify and hold harmless the Resident's use of the premises, or from any activity, work or thing done, permitted or suffered by Resident in our about the premises.

(b) Owner shall not be liable for personal injuries or property damage or loss from theft, vandalism, fire, water, hurricane, rain, explosion, or other causes whatsoever, unless the same is due to the negligence or fault of Owner, his agents, servants or employees. Owner shall not be liable for loss or damage resulting from failure, interruption or malfunction of the utilities, appliances, or fixtures provided to Resident under the terms of this lease agreement.

(c) Should any of Owner's employees perform any services for Resident at Resident's request, such employees shall be deemed to the agents of Resident, regardless of whether payment for such services is made or not, and Resident agrees to hold Owner harmless from all liability in connection with such services performed by employees of Owner.

(d) Notwithstanding Owner shall not be liable for such occurrences, Resident agrees to notify Owner immediately upon the occurrence of any injury, damage or loss suffered by Resident or other person in any of such circumstances.

Owner strongly recommends that Resident secure own insurance to protect against all of the above occurrences. Resident agrees that all existing locks and latches are safe and acceptable, subject to Owner's duty to make needed repairs of same upon written request by Resident. Owner shall have no duty to furnish smoke detectors, security guards, or additional locks and latches, except as required by statutes.

When smoke detectors are furnished, Owner shall test same and initially provide working batteries at lease commencement as required by statute; thereafter, Resident shall pay for and replace smoke detector batteries, if any, as needed.

CONDUCT OF RESIDENT AND GUESTS. Resident covenants and agrees for himself and his family, guests, invitees, agents, servants and employees to conduct themselves in such manner as will not prevent other Residents from the enjoyment and use of their respective premises in the apartment complex. Loud or disturbing noises or music shall not be permitted in the demised premises at any time. Parties on the premises shall be limited to a reasonable number of guests, maintained strictly within the leased premises, with doors kept closed, and terminating at a reasonable hour. It is expressly understood and agreed that the pool, grassy areas, and other common areas, shall not be used for party purposes without the permission, in writing from the Owner obtained in advance. It is further other areas which are reserved for Resident's private use shall be kept clean and sanitary by Resident. Garbage shall be disposed of only in appropriate receptacles. Any swimming pools, saunas, hot tubs, exercise rooms, store rooms, laundry rooms, and other improvements are to be used wholly at the risk of the person using them. Owner may regulate the manner, time and place of all parking. Owner may regulate, limit, or prohibit from the unit or Condominium community the following: Motorcycles, bicycles, tricycles, skateboards, recreational vehicles, boats, trailers, inoperable vehicles, furniture movers, delivery men, solicitors, and guests who in the Owner's reasonable judgment have been disturbing the peace, disturbing other residents, or violating this lease, or Rules and Regulations, Bylaws, Master Deed and Declaration of the Richardson Lifestyle Association. Flashlights (and not candles or kerosene lamps) shall be used if electricity is interrupted or terminated. No business or childcare services may be operated in or from the townhouse. Upon payment of a reasonable charge, Resident may require Owner to change (or re-key) a door lock. A resident who moves out prior to the end of the lease term or renewal or extension period is no longer entitled to occupancy or keys. Keys may not be duplicated without Owner's written consent. All written rules may be enforced through Owner's representatives or agents, and Resident shall hold same harmless from reasonable enforcement. In addition, Resident agrees to comply with the Rules and Regulations of Richardson Lifestyle Association, a copy of which is attached hereto as Exhibit "A" and incorporated herein as if fully set forth for all purposes. Any

failure to comply on the part of Resident or any person on the premises by virtue of the occupancy of Resident shall be a breach of the conditions of this lease.

DAMAGE OR DESTRUCTION OF PREMISES. In the event of damage to the demised premises by fire, water, or other hazard, or in the event of malfunction of equipment or utilities, Resident shall immediately notify Owner or Owner's representative. If the damages are such that occupancy can be continued, Owner shall make repairs as needed with reasonable promptness and rent shall not abate during the period of such repairs. If the premises are so damaged as to be unfit for occupancy, and Owner elects to make such repairs, rental payments provided in this contract shall abate during the period of time when the premises are not fit for occupancy, but in all other respects the terms and provisions hereof shall continue in full force and effect. In the event that the premises are so damaged or destroyed as to be, in the sole opinion of the Owner, incapable of being satisfactorily repaired, then this lease shall terminate and Resident shall be liable only for rental payments up to date of such damage or destruction; or, at the option of Owner, Resident agrees to accept comparable unit in the Condominium complex for the remaining term of this lease.

CONDEMNATION. In the event the demised premises are taken through the exercise of the power of eminent domain, rental shall be paid by Resident to the date of ouster in the eminent domain proceedings, at which time this lease shall terminate. In the event of such taking, the entire award for damage to the premises, both leasehold and reversion, shall be the sole property, right and cause of action of the Owner, and Resident hereby assigns and conveys to Owner all of the Resident's right, title and interest in and to any joint award made pursuant to any such proceedings and Resident hereby authorizes and empowers the Owner, in the name of the Resident, to pursue such remedies as may be available to the Owner to received such damages, and to make, execute and deliver in Resident's name, any release or other instrument that may be required to recover such award or judgment.

PARKING. Resident covenants that he will not park, maintain or keep a boat, <u>trailer</u>, camper or any related kind of category of vehicle on the leased premises or in the Condominium complex of which the leased premises is a part without the prior written consent of Owner. In the event specific parking spaces are assigned to Residents, Resident agrees that his proper use thereof is a condition of this lease agreement and that his use thereof will not unnecessarily interfere with the use of similar space by other Residents in the Condominium complex.

TELEVISION OR RADIO ANTENNA. Resident covenants and agrees not to erect a television or radio antenna upon the roof or other part of the leased premises or in the apartment complex of which leased premises is a part.

RIGHT OF ENTRY. Owner shall have the right to enter upon the leased premises at all reasonable hours for the purpose of inspecting said premises and making necessary repairs and maintenance. Such right of entry hereby granted to Owner shall include any and all reasonable business purposes connected with the ownership and operation of the apartment complex, and any business relating to said apartment incident to the ownership and operation of said complex.

FURNITURE. In the event furniture is included as a part of this lease agreement, an inventory of such furniture will be attached hereto, marked "Exhibit A", and made a part hereof for all purposes. Resident hereby agrees to the accuracy of such inventory and the description of the condition of the furniture as contained in such inventory, and covenants and agrees to return same to Owner, upon the termination of this lease, in the same condition as received, reasonable wear excepted. In the event Resident defaults in the payment of the monthly rental for the use of such furniture and such default extends more than ten days beyond the date due, Owner or his agents shall have the right to enter upon leased premises and remove the furniture therefrom, without further notice to Resident and without prejudice to any other rights, legal or contractual, which Owner may have to protect his interests under the terms of this lease agreement.

AD VALOREM TAXES. In the event of an increase in ad valorem taxes applicable to the apartment complex, it is contracted and agreed that the amount of such increase shall be prorated among all Residents in the apartment complex. In such contingency, Resident agrees, upon written notice from Owner, to increase his monthly rental under the terms of this lease agreement by his prorate share of such increase in ad valorem taxes. Should any governmental unit levy any fee or other charge of any nature whatsoever, other than ad valorem taxes, on the property herein demised, Resident covenants and agrees, upon written notice from Owner, to increase his monthly rental by an amount equal to such additional fee or other governmental charge.

NOTICES. All notices contemplated by this lease agreement shall be addressed by Owner to Resident at the premises thereon described, and such notices may be delivered either personally, by leaving same in the apartment, or by United States mail properly addressed and stamped. Notice shall be deemed complied with by leaving such written notice in the apartment or by posting same in the United States mail stamped. All notices contemplated to be served by Resident upon Owner shall be delivered by Resident either personally or by United States mail to the address set forth in the paragraph entitled RENTAL, or at such other address as Owners shall designate from time to time in writing.

WAIVER BY OWNER. No act or omission of Owner shall be construed or held to be a waiver of his rights hereunder, except insofar as Owner may specifically waive a particular right in writing. Such a written waiver by Owner shall apply only to the default existing at the time of its execution, such default being described therein, and shall not be deemed or held to be a waiver of any subsequent default of the same or any other nature. Written consent given by Owner pursuant to the terms and provisions of the lease shall never be deemed or held to be consent to a subsequent performance of the same or any other act. Receipt of money or other consideration from Resident under the terms and provisions of this lease shall never be held or deemed to be a waiver of the rights of Owner hereunder, except as otherwise provided in the written receipt given therefor.

FINANCIAL RESPONSIBILITY. It is specifically agreed by and between the parties hereto that any obligation of the Owner to pay money or other consideration to Resident shall be satisfied solely from the Owner's estate and interest in the premises or property of this Condominium complex, and the improvements of which it is a part, or the proceeds thereof, and Resident covenants and agrees that he will look solely to such financial interest for the satisfaction of any remedy which he may have for the collection of money or other consideration from the Owner, by judicial process or otherwise.

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GOVERNMETNAL REGULATIONS. Resident agrees to comply with all ordinances of the City of Richardson, Texas, applicable to the use of such premises, and all other orders and requirements imposed upon the use of said premises by and duly constituted agency of government, whether for the prevention and abatement of nuisances or for other legal purpose, such compliance to be at the expense of Resident.

DEFINITIONS. Wherever the term Resident or Residents is used it shall mean all Tenants hereunder and shall include all those individuals joining in the execution of this Lease. Wherever used, the term Owner or Owners shall mean Landlord.

PERFORMANCE. This Lease agreement is being executed in Richardson, Dallas County, Texas and all obligations hereunder shall be performable in said county and in such State; and all interpretations hereof shall be governed by the laws of the States of Texas.

SUBORDINATION OF LEASE. This lease and Lessee's leasehold interest under this lease are and shall be subject, subordinate, and inferior to any lien or encumbrance now or hereafter placed on the leased premises by Lessor, to all advanced under any such lien or encumbrance, to the interest payable on any such lien or encumbrance and to any and all renewals and extensions of such leases or encumbrances.

RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies provided by this lease agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statue, ordinance, or otherwise.

LEGAL CONSTRUCTION. In case any one or more of the provisions contained in the agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or un-enforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provision and never been contained herein.

PRIOR AGREEMETNS SUPERSEDES. This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

AMENDMENT. NO amendment, modification, or alteration of the terms hereof shall be binding unless the same be in writing, dates subsequent to the date hereof and duly executed by the parties hereto.

COPIES. This Lease has been executed in multiple copies, one for resident and one or more for owner. A copy of the willow Springs Condominium Association's rules and regulations and the Owner's move-out cleaning instruction, if any, will be furnished when resident moves in, or earlier if desired. When a Move-in Inventory and Condition Form is completed after resident moves in, both resident and owner should retain a copy.

TIME OF ESSENCE. Time is expressly declared to be of the essence of this Lease.

ENTIRE AGREEMENT. This instrument in writing, termed a lease agreement, contains the entire agreement made by and between the parties hereto. No oral agreements have been entered into in connection with the execution of this instrument, and none of the terms, provisions or conditions contained herein shall be changed or modified in any way except by an instrument in writing, signed by all of the parties hereto. I have read and received a copy of the Rules and Regulations and agree to abide by them.

THIS IS A BINDING LEGAL DOCUMENT - READ CAREFULLY BEFORE SIGNING.

Resident or Residents (All residents must sign here) Owner or Owner's Representative

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WILLOW SPRINGS LEASE ADDENDUM FOR GAS, WATER/WASTE WATER ALLOCATION AND BILLING

ALLOCATION. You (the resident) and we (the owner) agree to the water allocation system described below, regarding gas, water and wastewater allocation. During the lease term, we are authorized to allocate the monthly mastermeter gas, water/wastewater bill(s) for the Condominium community on the basis of square footage and number of occupants in your unit, as follows:

- 1. Your monthly rent under your Lease Contract does not include a charge for gas, water and wastewater. Instead, you will be receiving a separate bill from us for such utilities.
- 2. Your monthly gas, water/wastewater bill will be based on your square-footage share of the previous month's actual mastermeter gas, water/wastewater bill(s) for the entire Condominium community.
- 3. No administration or other fee will be added to the total mastermeter bill(s) prior to allocation. Penalties or interest for any late payment of the mastermeter gas, water/wastewater bills by us will be paid for entirely by us and will not be allocated.
- 4. Payment of the allocated gas, water/wastewater bill is due 7 days after the date it is postmarked or hand delivered to your Condominium. Unless otherwise provided, you agree to pay it at the same place the Electric is paid under your lease. There will be a late charge of 5% (percent) of the delinquent gas, water/wastewater bill. A TNRCC approved summary of water/wastewater rules is attached to this addendum.
- 5. You may examine our gas, water/wastewater bill(s) and our calculations relating to the monthly allocation of the gas, water/wastewater bills during regular weekday office hours. While it is not required, please give us reasonable advance notice to gather the data.
- 6. You agree to use your best efforts to follow the gas and water conservation suggestions attached to this addendum.
- 7. The formula for allocating the monthly gas and water bills will be based on:
 - a) A percentage of the total bill will be divided according to percentage of ownership by square footage of the units. And a percentage will also be divided according to the number of people living in your unit ("People" for this purpose are ALL residents and occupants listed in leases in the Condominium community, as having a right to occupy their respective units.
- 8. Your allocation formula will not change during your lease term without your prior written consent. You will be obligated to provide to us as well as Willow Springs Office with the names and ages of ALL occupants of your unit in the event of any changes from the original lease. We have the right to change the allocation formula when (1) leases are signed with new residents, or (2) when renewal leases are signed with existing residents, provided 90 days written notice of change is given.

RESIDENT OR RESIDENTS

OWNER OR OWNER'S REPRESENTATIVE

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